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REMARKS

Claims 1-13 were pending in this application prior to the office action. By this amendment, claims 1-2 and 5-13 are amended, and new claim 14 is added. Thus, claims 1-14 are now pending. No new matter has been added. In view of the above amendments and the following remarks, Applicants respectfully request reconsideration and allowance of the application.

Claims 1 to 13 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Takebuchi et al. (Takebuchi, US Patent No. 5,595,608). In particular, the Examiner asserts that Takebuchi teaches a method of making a rare earth sintered permanent magnet having a main phase having a composition represented by the R₂T₁₄B (column 3, line 11), and that Takebuchi's disclosed method comprises preparing a rare earth main phase alloy by rapidly cooling a melt of the alloy (column 3, lines 31 to 37) having a composition that encompasses the first rare-earth alloy composition recited in the instant claims 1 to 13 (column 3, lines 23 to 24). In addition, although the Examiner states that Takebuchi does not require that the first rare earth powder have a dendritic crystal size that is larger than that second rare earth powder, the Examiner asserts that one of ordinary skill in the art at the time the invention was made would have considered the invention to have been obvious because Takebuchi's disclosed method, while not limited to an embodiment wherein the first rare earth powder has a dendritic size that is larger than that of the second rare earth powder as recited in the instant claims, does encompass such an embodiment.

However, Applicants respectfully submit that Takebuchi fails to disclose, suggest, or render obvious the invention recited in claims 1-14, as presented herein. In particular, Takebuchi fails to teach or suggest that the grain boundary phase-forming master alloy, which the Examiner considers as the second rare-earth alloy of the claimed invention, in an R-Fe-B based rare-earth alloy, as is recited in the claims. As clearly understood from the descriptions on column 10, lines 36-39 (32-60 wt% of R, 30-60 wt% of T', 4-10 wt% of M) of Takebuchi, the grain boundary phase-forming master alloy does **NOT** include B (boron) which is essential for an R-Fe-B based rate-earth alloy.

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Thus, for at least the above reasons, Applicants respectfully submit that the rejection of claims 1-13 under 35 U.S.C. § 103(a) in view of Takebuchi should be reconsidered and withdrawn.

In view of the foregoing, it is submitted that the present application is in condition for allowance and a notice to that effect is respectfully requested. If, however, the Examiner deems that any issue remains after considering this response, the Examiner is invited to contact the undersigned attorney to expedite the prosecution and engage in a joint effort to work out a mutually satisfactory solution.

Except for issue fees payable under 37 C.F.R. § 1.18, the Commissioner is hereby authorized by this paper to charge any additional fees during the entire pendency of this application including fees due under 37 C.F.R. §§ 1.16 and 1.17 which may be required, including any required extension of time fees, or credit any overpayment to Deposit Account No. 19-2380. This paragraph is intended to be a **CONSTRUCTIVE PETITION FOR EXTENSION OF TIME** in accordance with 37 C.F.R. § 1.136(a)(3).

Respectfully submitted,

Date: September 18, 2007 /Stephen M. Hertzler, Reg. No. 58,247/ Stephen M. Hertzler

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